GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:4174
ANSWERED ON:10.04.2003
DABHOL POWER PROJECT
BASUDEB ACHARIA

Will the Minister of POWER be pleased to state:

(a) whether there has been an agreement between Tata Power Company and British Petroleum (BP) for joint evaluation of Dabhol Power Project; and

(b) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) : In January, 2002, Industrial Development Bank of India (IDBI) had invited Expressions of Interest (EOI) from domestic/overseas corporates for acquiring the interest of off-shore sponsors in the Dabhol Power Company (DPC). EOIs were received from 7 prospective sponsors, including Tata Power Company Ltd. (TPC). While British Petroleum had not submitted its EOI within the stipulated time-frame, it had subsequently indicated its interest in the Dabhol power project. No proposal has been received by IDBI about TPC and BP Global Investment of the UK having decided to put in a combined financial bid for the Dabhol project and about any agreement between the two companies in this regard. Meanwhile, due to subsequent developments arising out of abandonment of the project by DPC and filing of bankruptcy proceedings by Enron companies holding shares in DPC etc., IDBI have considered an alternate option of restructuring of DPC by way of `sale of assets` rather than `sale of equity` and have for the present refunded the deposit amounts to the bidders.

(b) : Does not arise.